

# 10

London East  
2003-2005

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Workforce Development Strategy  
Voluntary and Community

We, the Learning and Skills Council London East, fund training and education for those over age 16 in Barking and Dagenham, Bexley, City of London, Greenwich, Hackney, Havering, Lewisham, Newham, Redbridge and Tower Hamlets.

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Readers please note:

- in this publication where 'we' is used, it refers to the Learning and Skills Council London East
- we have used footnotes in this publication, shown as small numbers in the text, to acknowledge our sources of information, and the research done by other organisations, and
- we have included a glossary to describe some of the more technical terms used in this publication. This is on page 20.

- Association of CEOs of Voluntary Organisations (ACEVO)
- Basic Skills Agency
- Business Link for London
- Chambers of Commerce
- Connexions
- Department of Health
- DFES
- DTI
- Education Business Partnerships
- Further education colleges
- Higher education institutions
- HM Treasury
- Home Office
- Information, advice and guidance partnerships
- Jobcentre Plus
- leardirect
- Local authorities
- Local learning partnerships
- Local strategic partnerships
- London Development Agency
- National Council of Voluntary Organisations (NCVO)
- Public-sector employers
- Regeneration partnerships
- Schools and sixth form colleges
- Strategy Unit
- Trade unions
- Voluntary Sector National Training Organisation (and its successor organisation)
- Voluntary-sector umbrella organisations (for example, Councils for Voluntary Service – CVSs, London Voluntary Service Council – LVSC, London Voluntary Sector Training Consortium – LVSTC)
- Other NTOs and their successor organisations that have links to the sector
- Voluntary-sector employers
- Voluntary-sector training providers
- Work-based learning providers

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A handwritten signature in dark ink, appearing to read 'Mary Conneely'.

Mary Conneely  
Executive Director

We are in the middle of an exciting period of change. London East's 2 million residents have seen many changes in the last 10 years. The new developments announced for the Thames Gateway show that there will be further investment and increased opportunities during the next 10 years.

In every sector there is potential for growth. The proposal for major housing development in the Thames Gateway by the Deputy Prime Minister, in February 2003, is a boost for the construction industry. The Strategic Rail Authority and Transport for London have ambitious plans to develop the transport infrastructure. Health and social care, and financial services have their own challenges to meet as legislative changes place new demands on the workforce. The cultural and creative industries are thriving, and the retail sector can continue to grow with future town-centre redevelopments planned.

Our task, with you, our partners, is to make sure that London East is ready to meet these challenges with a highly skilled workforce. The consultation paper, *Success for All*<sup>1</sup>, in June 2002 set out the role of learning providers. It stated that "learning in an area must meet national and local skill needs... and be responsive to local employers and communities." This view was reinforced in the formal publication of *Success for All* which set out the joint plans of the DfES and the Learning and Skills Council, in November 2002, to reform the learning and skills sector and raise standards.

This series of workforce development strategies explains the issues affecting each industrial sector. Each strategy then suggests some realistic action to support the skills development of local people. The aims are to meet employers' needs, and to give individuals positive learning and employment experiences.

By delivering the actions in these 10 sector strategies, we will be helping to:

- fulfil our corporate objectives which we outlined in the Local Strategic Plan 2002-2005
- meet the requirements of the Learning and Skills Council's *National Policy Framework* for workforce development
- support the objectives outlined in London's *Framework for Regional Employment and Skills Action (FRESA)* published by the London Skills Commission, and
- meet the aims of the Skills Strategy White Paper (2003).

We hope that all partners and stakeholders in the various sectors will help deliver the plans presented in these very positive strategy documents. This will enable local people to improve their skills and make the most of the new opportunities being created in the Thames Gateway area.

## The Learning and Skills Council is responsible for funding and planning education and training for those over 16 years old in England<sup>2</sup>.

Workforce development is one of the most challenging and exciting parts of our work, and in November 2002, the national office published its Workforce Development Strategy – National Policy Framework to 2005.

The *National Policy Framework* was published at the same time as the Government report, *In Demand: Adult Skills in the 21st century – part 2*, produced by the Strategy Unit. These two documents suggested action that would promote workforce development. They state that we should:

- “raise informed demand for employment-related skills among individuals and employers
- support improvements to the responsiveness and flexibility of the supply side, and
- contribute to the development of an underpinning framework of better skills and labour market intelligence, responsive vocational qualifications and improved links to the wider educational agenda”.

Each sector strategy has an action plan which shows how we, at LSC London East, will take practical steps to meet those three objectives. By carrying out the action proposed for each sector, with you, our partners, we will directly contribute to delivering the LSC’s goals, which are to:

- “raise the participation and achievement of young people
- increase the demand for learning and equalise opportunities through better access to learning
- engage employers in improving skills for employability and competitiveness
- raise the quality of education and training delivery
- improve effectiveness and efficiency”.

This workforce development strategy for the voluntary and community sector is one of ten sector-based strategies. Each one describes the current issues in the sector nationally and locally. They give details of the current levels of employment and skills in the sector, and suggest where improvements in skills are necessary to meet the needs of the local and national economy.

The action plan for each sector gives details of the funding opportunities that are being made available to help individuals and organisations fulfil their potential.

### Workforce Development Strategies for London East

- 1 Construction
- 2 Cultural and creative industries
- 3 Financial services
- 4 Health and social care
- 5 Hospitality
- 6 Manufacturing
- 7 Public administration
- 8 Retail
- 9 Transport and logistics
- 10 Voluntary and community

<sup>1</sup> DFES, *Success for All – Reforming Further Education and Training*, Discussion Document, June 2002;  
DFES, *Success for All – Reforming Further Education and Training – Our Vision for the Future*, November 2002.

<sup>2</sup> This does not include higher education provision.

The voluntary and community sector covers a wide range of organisations, crosses sectoral boundaries and is a major employer nationally, regionally and in the area covered by LSC London East.

The National Council of Voluntary Organisations (NCVO) estimates that there are 563,000 paid staff in the sector, about 2.2% of UK employees, and also suggests that the volunteer workforce starts at 3 million people, but could be as high as 22 million. Although it is difficult to measure this, the NCVO estimates the value of volunteers' work to the sector is £15.4 billion. An analysis commissioned specially for this strategy estimates that there are 100,000 people working in the sector in London.

Government funding for the sector came to over £3 billion in 2000-2001. The financial support is valuable, but it also shows that the Government is using the sector far more to deliver public services. In practice, many voluntary- and community-sector organisations will only survive if they receive grants or project-based funding.

Using funding opportunities to help deliver government policy is an important factor in the sector. The Government recognises that the voluntary sector can reach marginalised groups, and provides funding to support this and capacity-building. Factors limiting how services are delivered include a lack of highly developed IT facilities within organisations, and a series of skills gaps and shortages in the sector.

There are three elements to the workforce:

- paid employees
- volunteers, and
- trustees and management committee members.

As the funding issue becomes more important, sector organisations need to operate more like businesses, demanding higher-level skills from their staff, and developing more sophisticated quality assurance and accounting systems.

The main skills gaps identified from the studies, and from discussions with voluntary- and community-sector employers in London East, were:

- management and leadership
- IT and computer literacy
- fundraising, and
- professional, specialist and technical skills.

The main requirement in London is for staff in the following occupational groups – management, administrative, and personal service, particularly caring.

To mirror these needs, the highest numbers of training courses provided to the sector were in management and supervisory skills, and fundraising. The barriers to learning were seen to be the cost of learning and development, and the ability to find replacement staff cover.

This strategy gives action we, the Learning and Skills Council London East, can take to:

- identify and meet the needs of voluntary- and community-sector employers in the London East area
- support workforce development in the voluntary and community sector through working effectively in partnership, and
- increase and widen involvement in learning by people working in the voluntary and community sector.

To deliver these activities, we are asking organisations to bid for nearly £3 million of funding related to sector programmes.

### Introduction

The voluntary and community sector covers a wide range of organisations, crosses sectoral boundaries and is a major employer nationally, regionally and in the area covered by LSC London East. This strategy document will describe the sector, and identify the generic skills and workforce development issues it is facing.

Last September, Paul Boateng<sup>3</sup> wrote, in his role as a government minister, saying:

"We believe that voluntary- and community-sector organisations have a crucial role to play in the reform of public services and reinvigoration of civic life.

...They grow out of the determination to provide high quality support to particular groups, are often uniquely placed to reach marginalised groups and enable individuals to participate actively in their local communities.

It is estimated that 70 per cent of VCOs operate at a local level, so the local dimension is crucial if we are to make a difference."

Before this, former Education Secretary, David Blunkett, made a pledge at the NCVO Annual Conference in 2001. He said:

"We need to ensure that the Learning & Skills Council is engaged with voluntary organisations in supporting and helping the training of paid staff, so there is a clear emphasis on workforce development and on quality within organisations."

We have made a commitment to help support capacity-building in the voluntary sector, at a local level, as quality employers.

### The size of the sector

#### National

The NCVO<sup>4</sup> in describing the voluntary sector, estimates that there are 140,964 general charities in the UK. However, it acknowledges that this figure does not include non-charitable non-profit organisations, self-help and community groups, and suggests the number of voluntary and community organisations is much higher than the estimate.

The Voluntary Sector National Training Organisation<sup>5</sup> summarises some of the main characteristics of the sector nationally in terms of the workforce and its contribution to the economy. It estimates that there are 563,000 paid staff (about 2.2% of UK employees) and also suggests that the volunteer workforce starts at 3 million people, but could be as high as 22 million. It suggests that the gross income for general charities is £15.6 million and the contribution to gross domestic product (GDP) by the sector is £5.4 billion. Although it is difficult to measure, the NCVO estimates that the value of volunteers' work to the sector is £15.4 billion.

<sup>3</sup> Foreword to *The Role of the Voluntary and Community Sector in Service Delivery – A Cross Cutting Review*, September 2002, HM Treasury.

<sup>4</sup> *UK Voluntary Sector Almanac*, 2002.

<sup>5</sup> *Skills Matter: A Skills Foresight for the Voluntary Sector across England, Scotland and Wales*, Voluntary Sector NTO, 2000.

## London and London East

*The London Employers' Survey 2000-2001*<sup>6</sup> estimated that there were 18,955 voluntary and community organisations employing an estimated paid workforce of 211,713 in the Greater London area. Within that figure there were about 5,500 organisations in the London East area. It also suggested that this sector was an "active, important and growing part" of the community, operating as a central player in the labour market and supporting local economies, regeneration activity and social inclusion. However, to demonstrate the difficulty of identifying the precise numbers in the workforce, another report<sup>7</sup> suggests that "in London alone there are 30,000 voluntary groups employing an estimated 46,900 people (full-time equivalents)".

The sector ranges from very large organisations that are run on business lines with a high public profile, to local organisations with little organisational structure, that possibly depend on the voluntary efforts of a few people who carry out all the functions. In practice, most employees are in organisations that employ fewer than 25 people.

*The London Employers' Survey 2000-2001* found that most voluntary- and community-sector organisations in London were small, with 59% having one to nine employees, and a further 17% having 10 to 24 employees. London has a much higher share of paid staff and headquarters' offices than the rest of the country, and this may increase the percentage of larger organisations compared with other areas.





## The work of the sector

### National

We can see the range of the sector's activities by analysing public-sector funding to voluntary- and community-sector organisations. The recent Treasury Review<sup>8</sup> of the sector presents a list of local-authority funding by service area. They are, in rank order of receiving funding:

- social services
- education and research
- arts, culture, sports and recreation
- development and housing
- youth services
- environment
- law, crime, civil rights, and information, and
- asylum seekers and refugees.

Of the £1.1 billion provided in 2000-2001, social services accounted for 51% and education and research 9.9%, down to asylum seekers and refugees with 0.4%. The review estimated that the NHS in England gave a total of £0.6 billion to voluntary- and community-sector organisations, which was 1.4% of total NHS spending.

Central government funding to voluntary- and community-sector organisations for the same period, 2000-2001, (not including the NHS), was £2.1 billion. The rank order here is different, with development and housing receiving the largest share of 45.5%. In rank order they are:

- development and housing
- arts, culture, sports and recreation
- international activities
- social services
- law, crime, civil rights, and information
- education and research
- youth services
- environment
- voluntary and charitable associations
- health, and
- asylum seekers and refugees.

## London and London East

The above information shows formal funding nationally. *The Competitiveness and Social Inclusion study* also raised the issue of the broader fund-raising abilities of the sector. It suggested, "The voluntary sector is becoming more 'commercial'."

It continued, "London's voluntary sector raises £1.48 billion per year, of which some 42% (£620 million) is earned income."

It said that the voluntary and community sector was becoming "more competitive, cost-conscious and entrepreneurial".

In fact, it said that many organisations were operating as small businesses. The London Skills Forecasting Unit's unpublished report, *London's Voluntary and Community Sector*, implied that the voluntary and community sector accounted for at least 5% of all small- and medium-sized enterprises (SMEs) in London.

The distribution of employees in London's community and voluntary organisations by broad sector showed:

- 57.1% were in health and social work
- 12.6% were in other community, social and personal care activities
- 10.8% were in education, and
- the other 20% were spread across several sectors.

In summary, it can be seen that the voluntary and community sector is an important employer and contributor to the economy generally. Moreover, the sector organisations operating in London and London East continue to make an enormous contribution to urban regeneration and social cohesion. They are "an important source of employment for Black and Minority Ethnic (BME) communities and other minority groups of the city's population". They provide "a proven route for volunteers, people who are often excluded from the mainstream business and labour market and/or most disadvantaged groups in the labour market, to access employment – either in the voluntary sector itself, or in the wider public sector".<sup>9</sup>

<sup>6</sup> London TEC Council, 2001.

<sup>7</sup> Greater London Enterprise, *Competitiveness and Social Inclusion: investing in third sector skills development*, 1999.

<sup>8</sup> *The Role of the Voluntary and Community Sector in Service Delivery – A Cross Cutting Review*, September 2002, HM Treasury.

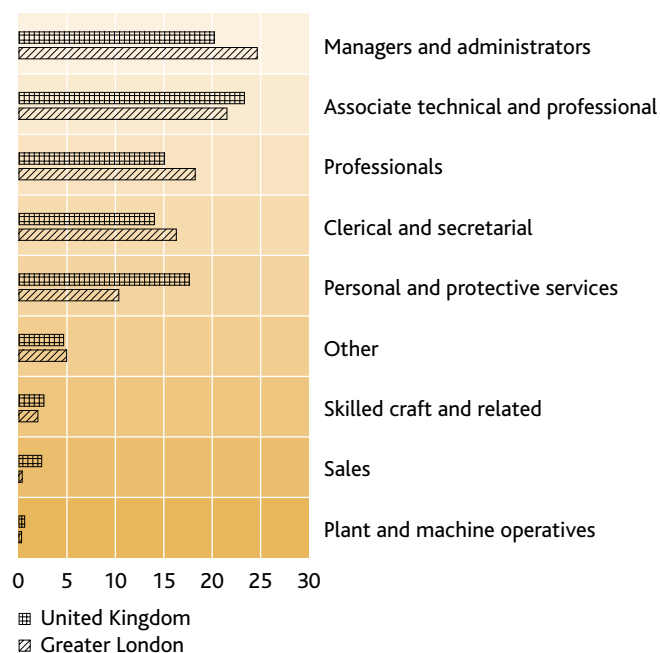
<sup>9</sup> Unpublished analysis of data from the *London Employers Survey* by the London Skills Forecasting Unit, *London's Voluntary and Community Sector*, May 2002.

## Chapter 2

### The workforce and sector drivers

figure 1

Voluntary-sector employees by occupation – percentage shares for the United Kingdom and Greater London, 2001



Source: Analysis by NCVO. Data from Labour Force Survey, ONS Crown copyright (2003)

#### The workforce – national

There are three elements to the workforce:

- paid employees
- volunteers, and
- trustees and management committee members.

According to the NCVO<sup>10</sup> less than one quarter of community organisations employ paid staff, and 36% of employees are in workplaces which have fewer than 10 people. (However, London does have more paid staff than elsewhere, and more headquarters are based here.)

Around 37% of the paid employees work part time and 66% of the paid workforce is female<sup>11</sup>. People with disabilities and health problems are also more likely to find employment in the voluntary and community sector than in the public and private sectors.

Looking at it nationally, the sector has created 85,000 jobs in the last five years. However, unfortunately, staff turnover in the sector has increased rapidly in the last 24 months.

The size of the volunteer workforce is difficult to measure. Again, NCVO<sup>12</sup> gives a wide-ranging estimate of three to 22 million. It suggests that 51% of these are employed in fundraising activities.

Lastly, there are the trustee and management committee members who play an important and usually voluntary role in managing, sometimes, more than one organisation. There are over one million trustee posts, held by more than 750,000 individuals. 71% of these trustees are over 45, and more than half in some form of paid employment<sup>13</sup>. They can bring important skills to the voluntary and community sector, but may also need training in fulfilling their role.

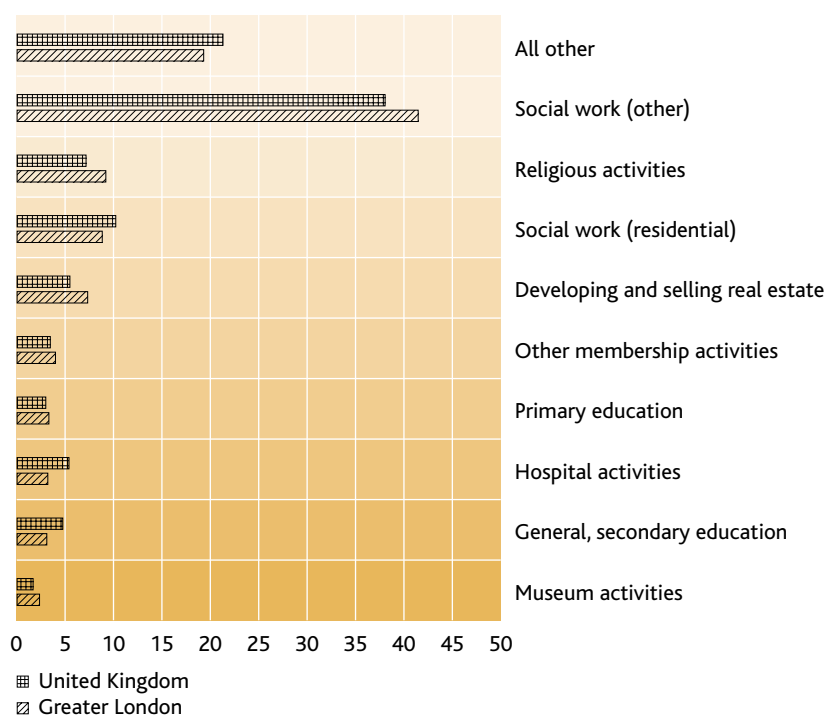
#### The workforce – London

The NCVO analysis of voluntary-sector employees estimated that 100,000 people worked in the sector in Greater London. Other estimates (mentioned previously) had put the number employed between 50,000 and over 200,000. The difficulty in estimating the number of employed staff in the sector is shown by these wide variations. NCVO, in its analysis, warns of the limitations of the figures, and of the problems of the small sample sizes on which the estimates are based.

The two figures do give some broad trends for the Greater London area. The occupational breakdown shown on page 8 (figure 1) illustrates how dominant managerial, professional and administrative posts are in London. Part of this is the 'head office' factor, which probably affects central London more than our area. Reliable figures are not available at a sub-regional level, so you should draw conclusions cautiously from regional figures to sub-regions.

figure 2

Voluntary-sector employees by sector – percentage shares for the United Kingdom and Greater London, 2001



Source: Analysis by NCVO. Data from Labour Force Survey, ONS Crown copyright (2003)

Figure 2 shows that social work activities (other and residential) formed half of all activities in the voluntary sector. This figure is slightly lower than that given in the study earlier in the chapter based on *The London Employers' Survey*. Nevertheless, the trend is clear. The NCVO figures also put a slightly lower estimate on involvement in the education sector. From the other strategy documents in this series, *Health and social care*, and *Public administration*, it was clear that volunteer staff played a very important part in delivering support to infants and children in school, and in out-of-school activities.

The other new dimension shown by the NCVO figures is the 9% of the workforce employed in organisations in the classification: religious activities.

<sup>10</sup> Voluntary Sector NTO, *Key Facts on the Voluntary Sector Workforce*, 2002 quoting from the *Survey of Job Roles and Salaries in the Voluntary Sector*, 1997/98.

<sup>11</sup> UK Voluntary Sector Almanac, 2002.

<sup>12</sup> UK Voluntary Sector Almanac, 2002.

<sup>13</sup> Voluntary Sector NTO, *Key Facts on the Voluntary Sector Workforce*, 2002.

### Issues for the sector

Although this strategy is looking at the main drivers that are helping the sector to expand, you should not forget that each voluntary and community organisation is driven by the motivation of individuals, and groups of individuals. They are trying to achieve their organisation's objectives, which are likely to be social as well as economic.

#### • Government policy

The Government sees the voluntary and community sector as having an important part in delivering its agenda for social care, health, regeneration, social inclusion and employment. The public funding provided to support the sector was over £3 billion in 2000-2001. This makes it a major benefactor of the sector, but also, because of the funding provided, a policy driver.

The cross-cutting review<sup>14</sup> summarised the relationship in the following way:

"This Government is passionately committed to the work of the voluntary sector. This partnership is about fresh ways of thinking through the role and structure of government and the voluntary sector and the way we deliver public services."

The review continues by explaining that the Government will introduce further legislation governing charities, as well as further funding activities to support the voluntary and community sector in its work.

This legislation follows on from previous legislation which has had an effect on the need for the sector's work, as well as how it operates. The Voluntary Sector Workforce Development plan identifies the following acts.

- The Children Act
- NHS and Community Care Act
- Charities Act
- Disability Discrimination Act
- Human Rights Act

It also mentions the introduction of the minimum wage and the European Social Charter.

The new regulations for social care are covered in the *Workforce Development Strategy for the Health and Social Care*.

#### • Funding

The way voluntary- and community-sector organisations are funded affects the workforce development needs. This is an area that we will highlight at the end of this chapter, and in chapter 4 by analysing the main issues.

The characteristic of public funding is that it is usually for short-term projects, with very specific aims. Organisations will need to have sophisticated administrative and quality assurance systems in place to guarantee success when applying for funding, and when delivering a programme.

A more recent feature of public funding has been the emphasis on partnerships delivering projects. This may have benefits for the communities served, but it will also affect how human resources are used internally. Fundraising is 'resource-intensive' in that it involves staff time, but it also needs a variety of professional and social skills.

One of the issues raised by the LSFU report<sup>15</sup> was the accessibility to funding opportunities. It was suggested that there were problems for smaller groups, particularly some ethnic community groups. Funding opportunities may not always be well publicised. The language and complexity of the documents may make a successful application difficult to produce.

The London Voluntary Sector Training Consortium (LVSTC) in its Annual Report 2001-2002 showed the range and complexity of funding streams, highlighting European sources. It gives a list of the many events it has had to organise so that the sector can access these opportunities. The LVSTC also looks forward to providing more information about these funds to organisations in London as new funds, grants and application processes become available.

#### • The added value of the sector

The sector's value to the wider community is in its ability to reach areas that conventional public services may not reach effectively. The staff and volunteer workers within voluntary- and community-sector organisations may have the skills or experience needed to make them accepted, and useful, in supporting specific client groups where public service professionals may not have the appropriate credentials. Those voluntary- and community-sector organisations which appear not to be associated with the state and can operate with freedom and flexibility to meet local needs, have a significant role to play.

### • Capacity-building

The Government recognises that one of the most difficult issues facing the sector is capacity.<sup>16</sup> It identified four types of capacity-building – organisational, technical, infrastructure and community capacity. It realises that a daunting task faces organisations when they try to expand what they deliver to client groups. It specifically acknowledges the particular restrictions black and ethnic minority voluntary- and community-sector organisations face. It suggests that this is a “less well-developed sector and can suffer discrimination and disadvantage”.

### • Information and communication technology

This area poses a particular problem for a sector that has limited financial resources and a large volunteer workforce. Firstly, many small organisations may not have the IT facilities available to allow all their staff access to IT, and to the Internet. This is important to the sector as groups often find funding sources and application processes through websites.

Producing forms and claims for funding will usually need at least basic IT skills. Using computers to keep records for creating correspondence and general administrative tasks again demands IT skills which are otherwise not central to the organisation’s core business.

### • Skills gaps and skills shortages

We reviewed several surveys when making this assessment of skills gaps and skills shortages. Nationally, the VSNT0 Skills Foresight Report said that 44% of organisations had skills gaps. The Competitiveness and Social Inclusion Study relating to London found that one third of organisations were doing nothing to tackle skills shortages.

The main skills gaps identified from the studies, and from discussions with voluntary- and community-sector employers in London East, were:

- management and leadership
- IT and computer literacy
- communication skills
- supervisory skills
- project management
- fundraising
- professional, specialist and technical skills
- customer handling skills
- presentation and negotiation skills
- basic skills and ESOL
- marketing and promotion, and
- using quality systems.

Management, leadership and supervisory skills were reported as significant gaps. There was sometimes a lack of forward-thinking and strategic planning skills. At an operational level, particularly with groups of volunteers, effective supervisory or ‘middle-management’ skills were missing.

Fundraising skills were identified as a common gap among paid staff and volunteers. It is an area where support is needed, particularly because of complicated funding arrangements. An associated gap was found in presentation and negotiation skills and the ability to make the best use of funding opportunities.

Various studies identified the problems of IT skills gaps. At a national level the figure was 38%, at a London-wide level it was 34%. There was a willingness on the part of employers in the London East sector to support IT training. However, they said that, where possible, training should be delivered in the workplace.

A similar pattern was clear in the skills shortages reported, with management skills, IT and the managing IT systems being top of the list.

<sup>14</sup> *The Role of the Voluntary and Community Sector in Service Delivery – A Cross Cutting Review*, September 2002, HM Treasury.

<sup>15</sup> Unpublished analysis of data from the *London Employers Survey* by the London Skills Forecasting Unit, *London’s Voluntary and Community Sector*, May 2002.

<sup>16</sup> *The Role of the Voluntary and Community Sector in Service Delivery – A Cross Cutting Review*, September 2002, HM Treasury.

## Chapter 3

### Recruitment and learning opportunities for the sector

#### Recruitment

In London the main requirement is for staff in the following groups.

- Management
- Administrative
- Personal service – particularly caring

The threshold qualification for entering paid employment was a degree (NVQ level 4 equivalent) for almost 50% of posts.

A series of factors have led to up to 40% of posts being hard to fill. Moreover, the Competitiveness and Social Inclusion Study<sup>17</sup> found that “a significant proportion of organisations (18%) said they had occupations where staff turnover was high compared to the average for all employers in London (10%)”.

The issues identified as restricting recruitment were:

- the lack of suitable applicants coming forward
- low salary levels set against a high cost of living in London, and
- the lack of appropriately-qualified applicants available.

The jobs most difficult to fill were at managerial and professional levels.



### Learning provision

The VSNTD Workforce Development Plan<sup>18</sup> identifies a range of learning and training providers in the sector. They are:

- in-house trainers  
(mainly in larger organisations)
- voluntary-sector training providers
- umbrella organisations and associations  
at national, regional and local level
- further and higher education colleges
- universities
- councils for voluntary service and  
county voluntary councils
- volunteer bureaux
- private-sector providers,  
including freelance trainers, and
- University for Industry (Ufi).

In the UK Voluntary Sector Training Courses Review<sup>19</sup>, there is a mapping exercise of training provision. It suggests that "the largest number of courses is provided in fundraising, followed by management and supervision skills – with the focus on managing staff". After that, operational management, personnel and finance have the next highest numbers of courses.

The main training providers offer a higher percentage of courses in managing and supervising staff. By contrast, the CVS's<sup>20</sup> largest category of courses is fundraising.

Most courses are held in London – 30% – with management and supervision dominating the course offer.

In terms of formal qualifications, the NVQ route is used because it provides flexibility in timescales and opportunities for assessment. Similarly, accreditation developed through the National Open College Network offers national recognition of skills which are developed and achieved locally.

More courses are now available at a postgraduate level for those working, or looking to work, in the voluntary sector. The London School of Economics and the Open University Business School offer Masters programmes. The City University Business School offers an MSc and Diploma in Voluntary Sector Management. And, the University of East London has four programmes at Masters degree and Diploma level. This includes an MBA course called Capacity Building for Ethnic Minority Organisations.

The UK Voluntary Sector Training Courses Review gives a summary of recent developments in training. It notes the use of online learning. This facility is more commonly found in larger organisations with the appropriate infrastructure. The completion rate with online learning alone is poor, and the Review suggests that IT-based learning applications work better when there is some form of personal interaction with a tutor. One learning and training method being used is Action Learning – a specific technique which uses a group approach and deals with real problems. This method is becoming more widely used in the voluntary sector, as is the use of coaching. More courses are now being provided to develop managers' coaching skills.

*The London Employers' Survey* showed that higher numbers of voluntary- and community-sector organisations offered training opportunities to staff than London employers as a whole. Only 14.5% stated that they did not arrange training for their staff.

<sup>17</sup> Greater London Enterprise, Competitiveness and Social Inclusion: investing in third sector skills development, 1999.

<sup>18</sup> Voluntary Sector National Training Organisation, Voluntary Sector Workforce Development Plan 2001.

<sup>19</sup> Directory of Social Change, UK Voluntary Sector Training Courses Review, 2002.

<sup>20</sup> Councils for Voluntary Service (CVS) – local organisations.



### Voluntary-sector training providers

We paid for our own survey of voluntary-sector training providers<sup>21</sup>. This was a mapping exercise, as well as an assessment of the training offer, and an analysis of the skills needs of the providers.

The study was based on responses from 103 organisations. The training offer covered over 35 subject areas and included basic skills, ESOL and 'mother tongue' classes. The study said: "These courses are provided for over 20 different types of beneficiary including children, young people, adults and older people, people from a wide range of specific communities, disabled people, and people with mental health, drug and alcohol problems."

Many of the issues of skills shortages and skills gaps among staff identified earlier were also found in this study. This study found 85% of organisations had provided staff training support. Finally, the report mentioned one of the features that applies to many organisations in the sector, and not just training providers. This is the ability, as an employer, to provide progression opportunities into work for both clients and volunteers.

### Barriers to learning

There is mixed evidence about how learning and training are organised in the sector. Most staff and many volunteers have access to learning opportunities, but this is carried out without a formal training plan being in place for either the organisation or the individual. A London-wide study showed that only 2% of sector organisations had Investors in People status.

Feedback from local employers in the sector suggested there was a "very ad-hoc approach to learning and development activity". This reinforced the view that there was a lack of strategic planning behind training decisions. This was partly due to managers in the sector failing to take an overview of staff development needs and find appropriate solutions. There was a need to balance and appreciate structured and unstructured learning opportunities for individuals in organisations.

The various studies identified the main barriers to learning as:

- the cost of learning and development – the financial cost, the time needed by the individual to be trained, and the ability to find replacement staff cover
- the availability of good information, advice and guidance for learners and employers, and
- the lack of access to flexible learning opportunities.

The lack of development of occupational standards in some areas and the failure to provide accreditation opportunities that recognise the sector's work are two further barriers faced by people in the sector.

Finally, there was a view that the constant pressure to bid for short-term funding through complicated application processes had also limited any in-house staff development. Too often organisations would hire consultants to draft bids, because there was not enough time or skills in-house. So, even if the organisation was successful, the skills had not been developed by their own staff.

This particular example shows there is a broader need in the sector to manage the skills needed in the longer term by effective training planning.



Sahara Communities Abroad (SACOMA) is a small voluntary organisation based in the London Borough of Redbridge that provides support services for Kiswahili-speaking people from sub-Saharan Africa. This includes countries such as Kenya, Uganda, Tanzania, Malawi and Zambia, Rwanda, Burundi, the Democratic Republic of Congo and Mozambique.

SACOMA's mission is to increase opportunities for the Swahili-speaking people so they can develop their self-esteem. SACOMA provides responsive services to meet individual needs and promote community development.

Since SACOMA was set up in 1999, meeting the needs of their target group has been at the heart of their work. The people SACOMA help are often isolated, socially excluded, deprived or suffering from many disadvantages. As a result they are hard to reach. That said, through their community development programmes, SACOMA has managed to support over 800 individuals. And, despite their limited resources, satisfaction levels with their services are still extremely high, with nine out of 10 users believing the organisation to be effective at what they do.

SACOMA believe that their success so far has been due to their commitment to developing the workforce. The organisation places learning for all staff and volunteers at the heart of their strategy to achieve higher customer satisfaction and outcomes.

The organisation firmly believes everyone within the organisation should own their own personal development plan. They also help raise people's skills by targeting development rather than paying for expensive training courses. Individuals decide what they want to learn and how.

SACOMA believe that to deliver effective services in the voluntary sector, a positive and inspirational style of leadership and management is needed. SACOMA has improved their own communications. This has improved staff morale, making them feel valued and involved. As a result, the staff feel motivated and encouraged to aim high and they have the skills to get them there.

In late 2002, SACOMA was recognised as an Investor in People for the organisation's learning and development practices, and their effect on performance. Perez Ochieng, Director of SACOMA, says that "achieving the Investors in People standard is not a 'one-off' but a continuous improvement process. Not only does it demonstrate SACOMA's commitment to developing our staff and volunteers as an integral part of the organisation, but it also helps us to harness training and development to meet our goals and help us improve our performance."

However, SACOMA recognises it cannot afford to rely on its current success. As Ms Ochieng says, "The challenge to us now is to maintain our commitment to make the most of knowledge and skills from the people to ensure the future success of SACOMA as a resource and effective support to the Kiswahili-speaking people."

#### Funding

### Many voluntary- and community-sector organisations will only survive if they receive grants or project-based funding.

The application processes and requirements associated with putting these funding opportunities into practice are often reshaping how voluntary- and community-sector organisations operate.

In many cases, they have been set up with a social purpose to meet local community need. This funding issue now means sector organisations need to:

- operate more like businesses
- demand higher-level skills from their staff, and
- develop quality assurance and accounting systems that will stand up to checks by funding agencies.

More recently, there has been a greater emphasis on local partnership working. This may help with 'joined-up' provision, but it raises the skills levels needed in team working, communication and negotiation.

#### Training

One London-based study suggested that large numbers of voluntary- and community-sector organisations had business plans, but other evidence and comments from local employers suggested that training was accessed on a 'needs basis', and not as part of a wider strategy. There was a positive attitude towards staff and volunteers receiving training if time and money allowed.

#### Staffing levels

The main problem is the difficulty in attracting managerial and professional staff in London, where commercial organisations can pay higher salaries for the skills available, and offset, for employees, the high costs of living, particularly housing. There tends to be a higher than average staff turnover, and constant changes in volunteer support levels.

#### Management and leadership

The complexity of funding arrangements, the need to manage staffing resources – some paid and some unpaid – and the requirement for multi-tasking by team members, all place heavy demands on managers and supervisors in the sector. Moreover, the need for better strategic thinking and the ability to be inventive in delivering services to reach specific groups makes the task more difficult. We have recognised these problems, and in the action plan (chapter 6) funding is identified to support leadership development.

#### Information technology

This is a major area of concern for the sector. Smaller organisations often lack the type of IT infrastructure that they need to operate.

Many groups are often at a disadvantage because of the lack of:

- widespread broadband internet access
- capacity to give staff and volunteers e-mail addresses, and
- ability to launch and maintain basic websites.

There are voluntary groups in the arts, cultural and media sub-sectors in London East that have the developed capacity to use IT very effectively. However, others have some way to go.

A lack of ICT skills was also a general skills gap identified in the sector. If these skills can be developed sufficiently, and the IT infrastructure issues are dealt with, staff and volunteers may be able to access a wider range of training opportunities in other subjects online.



## Chapter 5

### Strategic recommendations

#### We want to:

- 1 identify and meet the needs of voluntary- and community-sector employers in the London East area
- 2 increase workforce development activity in the voluntary and community sector by working through partnerships, and
- 3 increase and widen involvement in learning by people working in the voluntary and community sector.

To meet our aims for developing the workforce in the voluntary and community sector, we will:

- make sure that our strategy complements our partners' workforce development plans
- act as a 'broker' between voluntary- and community-sector employers and local providers of learning and business support
- encourage partners to use an integrated approach to developing the voluntary- and community-sector workforce in the London East area
- encourage a demand-led system of training for the sector locally
- focus on achieving targets by buying enough provision from our delivery partners, and
- support Basic Skills and ESOL for the sector.



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## Glossary

**capacity-building** is the term used to describe activity designed to improve an organisation's ability to work effectively and efficiently. 'The Office of the Deputy Prime Minister's capacity building programme is about giving under-performing local authorities the opportunity to develop improvements in their corporate management structure through a variety of local initiatives.'

**blended learning** is where the individual uses different methods of learning in a course of study, for example, part of the programme can be in a classroom with a teacher and another part takes place using the internet and IT learning packages

**modular approach** – courses of learning being divided into units. Learners can achieve credit for each unit as they do them.

**multi-tasking** refers to people being able to carry out a range of different tasks within their job.

**regeneration activities** referred to in this document are programmes designed to improve the physical and economic conditions of local areas, usually led by government departments.

**sector networks** – people from different organisations in the voluntary and community sector working together, often informally.

**social cohesion** – bringing people and communities together.

**social exclusion** is a term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high-crime environments, bad health and family breakdown. (Government – Social Exclusion Unit)

**social inclusion** covers the range of activities led by government agencies to help people and communities overcome the social problems they are experiencing.

**urban regeneration** – this refers to the improvements made to cities and towns to improve the economic and social conditions for local people.

## Appendix

Standard industrial classification codes	Voluntary and community subsectors
85.32	Social work (other)
85.31	Social work (residential)
91.31	Religious activities
70.11	General, secondary education
85.11	Hospital activities
80.21	Other membership activities
91.33	Developing and selling real estate
80.10	Primary education
92.52	Museum activities
52.11-52.63	Retail general
Not classified	Special education, primary



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